

The background of the slide features a close-up, high-speed photograph of water droplets falling into a pool of water. The droplets are captured in mid-fall, creating a series of concentric ripples that spread outwards from the point of impact. The water is a clear, light blue color, and the lighting highlights the spherical shape of the falling droplets and the texture of the ripples.

Public Hearing Proposed Water Rate Structure

March 14, 2011

Public Hearing Process

A background image featuring a single water droplet falling into a pool of water, creating a series of concentric ripples. The droplet is captured mid-fall, just above the point of impact, with a small splash visible below it. The water is a light blue color, and the ripples are a slightly darker shade of blue. The overall effect is a sense of calm and clarity.

- Sign-in sheet.
- Oral or written testimony.
- Limit five (5) minutes per person.

A high-speed photograph of water droplets falling into a pool of water, creating a series of concentric ripples. The droplets are captured in mid-air, appearing as a vertical line of spheres. The water surface is a light blue color, and the ripples are a darker blue. The background is a soft, out-of-focus blue.

Background and Information

WATER & SEWER RATE STUDY

Water & Sewer Rate Study

- **Who**

- Training and technical assistance by Rural Community Assistance Corporation (RCAC).
- Funded by the Washington State Department of Health, Office of Drinking Water.

Water & Sewer Rate Study

A background image showing a water droplet falling into a pool of water, creating a series of concentric ripples. The droplet is captured mid-fall, just above the point of impact, with a small splash visible below it. The water is a light blue color, and the ripples are a slightly darker shade of blue.

- **What**

- Analyze the city's water and sewer rate structure.
- Identify revenue needs for operations and maintenance, short-lived assets, debt and reserves.
- Establish fair and equitable rates.

Water & Sewer Rate Study



- **When**

- Began in May 10, 2010.
- City Council held 11 public workshops.

- **How**

- Determine current budgetary needs, equipment and new projects, and new debt for capital improvements to project revenue needed from customers.

A high-speed photograph of water droplets falling into a pool of water, creating a series of concentric ripples. The droplets are captured in mid-air, and the ripples spread outwards from the point of impact. The background is a soft, out-of-focus blue.

Water Revenues

HOW YOUR \$\$\$ ARE SPENT

Why a new rate structure is needed

- Meet loan requirements.
- Encourage efficient use of resources.
- Eliminate operational deficits.
- Fund capital improvements.
- Fund asset replacement programs.
- Fund emergency reserves.

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Proposed Rate Structure

EXAMPLES OF NEW RATES

Current water rate structure

500 CF per month allotment

- 35% of water is sold to residents.
- 699 accounts (all users)
 - 259 never used allotment.
 - 315 only exceeded allotment 1 to 4 mo. per year.
 - 125 always exceed allotment.
- 570 residential accounts
 - 216 never used allotment.
 - 259 sometimes exceed allotment.
 - 94 always exceed allotment.

Proposed water rate structure

Current

- Base rate = \$34.76 per month (includes 500 CF).
- Usage = \$1.89 per 100 CF for usage over 500 CF.

Proposed

- Base rate = \$22.00 per month (includes 0 CF).
- Usage = \$3.22 per 100 CF for ALL usage.

**All examples based on fixed meter charge for $\frac{3}{4}$ " meter.
Rates for larger meters will be higher.**

Example : No water use

Current

- Base rate = \$34.76/mo.
- **MONTHLY = \$34.76**
- **BI-MONTHLY = \$69.52**

Proposed

- Base rate = \$22.00/mo.
- Usage = \$0.00
- **MONTHLY = \$22.00**
- **BI-MONTHLY = \$44.00**

Example: 400 CF/month (current & proposed equal)

Current

- Base rate = \$34.76/mo.
- **MONTHLY = \$34.76**
- **BI-MONTHLY = \$69.52**

Proposed

- Base rate = \$22.00/mo.
- Usage = \$12.88
(400/100 x \$3.22)
- **MONTHLY = \$34.88**
- **BI-MONTHLY = \$69.76**
(800 CF)

Example: 500 CF/month (current base)

Current

- Base rate = \$34.76/mo.
- **MONTHLY = \$34.76**
- **BI-MONTHLY = \$69.52**

Proposed

- Base rate = \$22
- Usage = \$16.10
(500/100 x \$3.22)
- **MONTHLY = \$38.10**
- **BI-MONTHLY = \$76.20**
(1000 CF)

Example: 650 CF/month (over current base)

Current

- Base rate = \$34.76/mo.
- Usage = \$2.58
(150/100 x \$1.72)
- **MONTHLY = \$37.34**
- **BI-MONTHLY = \$74.68**

Proposed

- Base rate = \$22
- Usage = \$20.93
(650/100 x \$3.22)
- **MONTHLY = \$42.93**
- **BI-MONTHLY = \$85.86**
(1300 CF)

A high-speed photograph of water droplets falling into a pool of water, creating a series of concentric ripples. The droplets are captured in mid-air, and the ripples spread outwards from the point of impact. The background is a soft, out-of-focus blue.

Usage-based rate structure

WHY THIS OPTION WAS SELECTED

Usage-based rate

A background image featuring a water droplet falling into a pool of water, creating ripples. The image is in a light blue and white color scheme, with the droplet and ripples centered in the upper half of the frame.

- More fairly allocates the cost of services to each customer.
- Increase or decrease will depend on each customer's water usage.
- Each customer's rate will better reflect the cost of services.
- Fixed meter charge based on size of meter and commodity rate applied to consumption.

A high-speed photograph of water droplets falling into a pool of water, creating a series of concentric ripples. The droplets are captured in mid-air, appearing as a vertical column of spheres. The background is a soft, out-of-focus blue and white, emphasizing the clarity and movement of the water.

Where we are now
THE NEXT STEPS

Next Steps

A background image featuring a water droplet falling into a pool of water, creating ripples. The image is in a light blue and white color scheme.

- Hold public hearing
- Council must pass new rate ordinance and resolution.
- Water and sewer can be implemented separately.

Timing of rate changes (if adopted)

- Water (rate study complete)
 - Residential: June bills for April/May service.
 - Commercial: May bills for April service.
- Sewer (rate study still in process)
 - Residential: August bills for June/July service?
 - Commercial: July bills for June service?

Comments and Testimony

- Your City Council has spent a significant amount of time on this process and is ready for your input.

